

City of Kalamazoo, Michigan 2019 Consolidated Annual Performance Evaluation Report



Community Development Block Grant Program and Home Investment Partnership Program

David Anderson , Mayor

Rebekah Kik, Director

Antonio Mitchell, Community Developmnt Manager

The 2019 CAPER is the fifth performance report in the five-year Consolidated Plan cycle. The Report describes the allocation expenditures of Housing and Urban Development (HUD) Block Grant funds during the 2019 program year which runs July 1, 2019 to June 30, 2020.

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CITY OF KALAMAZOO

JULY 2019 – JUNE 2020

Consolidated Annual Performance Evaluation Report

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CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a) This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

The Consolidated Plan is designed to help local jurisdictions assess their affordable housing and community development needs and market conditions, and to make data-driven, place-based investment decisions. The consolidated planning process serves as the framework for a community-wide dialogue to identify housing and community development priorities that align and focus funding from the three federal Community Planning and Development (CPD) formula block grant programs with service the City of Kalamazoo: the Community Development Block Grant (CDBG), the HOME Investment Partnership (HOME), and the Emergency Solutions Grant (ESG) program. In the Consolidated Annual Performance and Evaluation Report (CAPER), grantees report on accomplishments and progress toward Consolidated Plan goals in the prior year. The 2019 program year is the first year plan of the five-year Consolidated Plan. The program year covers the period from July 1, 2019 to June 30, 2024.

The following goals adopted in the 2019-2023 Consolidated Plan guided the City of Kalamazoo in assigning annual community priorities:

Affordable Housing - Improve the amount of decent and affordable housing in the City of Kalamazoo by supporting the maintenance, rehabilitation and development of accessible owner and renter occupied housing.

Homeless Assistance - Work towards ending homelessness within Kalamazoo County by supporting the U.S. Department of Housing and Urban Development's Strategic Plan to Prevent and End Homelessness implemented through the Kalamazoo County Continuum of Care by providing services and support to the City's homeless population.

Neighborhood Enhancement - Advance the sustainability of the Community Development Block Grant neighborhoods identified in the Consolidated Plan through the continuation of City services and redevelopment of key neighborhood improvements.

Youth Development - Develop well-adjusted and productive adults through supporting youth programs and activities that provide positive experiences and opportunities to enhance interests, skills and abilities into adulthood

Economic Development – Expand economic opportunity that influence growth and stability for small businesses during and after COVID-19 Pandemic. Priority activities may include but are not limited to:

- Housing Assistance and Prevention of homelessness
- Maintenance or Improvement of Access to Public Services
- Maintenance or Improvement of Public Facilities and Infrastructure
- Economic Development, including retention and/or creation of employment opportunities for affected businesses

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

The City observed progress in all of the goals for FY 2019 through the use of CDBG and HOME funds. However, due to the City not signing its agreement with HUD until December and the City closing down in March due to COVID, outcomes were drastically reduce. The City of Kalamazoo receives a relatively modest amount of CDBG and HOME funding, and the City's funding has remained level over the past couple of years. For this reason, the City maintains a fairly simple CDBG and HOME program, limiting resource to fewer sub-grantees and selecting those that will deliver the best outcomes to reach the City's goals.

Goal /Category	Funding		Subrecipient	2019 Consolidate Plan Outcome					Action Plan		
	Source	Amount		Indicator	Unit of Measure	Expected Strategic Plan	Actual Strategic Plan	Percent Complete	Expected Program Year	Actual Program Year	Percent Complete
Affordable Housing	HOME	100,000	New Horizon	Rental units rehabilitated	Hsing Units	12	2	2%	2	2	100%
	HOME	118,000	Habitat for Humanity	Homeowner Housing Added	Hsing Units	15	0	0%	2	0	0%
	CDBG	275,000	SS, CH34, Lead Prog 11, Code Enf	Homeowner Housing Rehabilitated	Hsing Units	253	59	11%	130	73	56%
	HOME	0	N/A	Direct Financial Assistance to Homebuyers	Hsehlds Asst	50	9	18%	10	9	75%
	CDBG	125,000	City of Kalamazoo	Housing Code Enforcement/Foreclosed Property Care	Hsing Units	25	0	0%	25	0	0%
Goal /Category	Funding		Subrecipient	2019 Consolidate Plan Outcome					2019		
Source	Amount	Indicator		Unit of Measure	Expected	Actual	Percent Complete	Expected	Actual	Percent Complete	
Homeless Assistance	CDBG	\$40,000	United Way MwC	Continuum of Care Counseling	Individuals	City-Wide 625	City-Wide 230	37%	City-wide 125	City-Wide 230	184%
	CDBG-CV	\$719,052	HRI	Homeless Prevention	Individuals	300	0	0%	300	0	0%

Reflect

Goal /Category	Funding			2019 Consolidate Plan Outcome – Public Services					2019		
N E I G H B O R H O O d Enhancem ent	Source	Amount	Subrecipient	Indicator	Unit of Measure	Expected	Actual	Percent Complete	Expected	Actual	Percent Complete
	CDBG-CV	25,000	Senior Services	Public service activities other than Low/Moderate Income Housing Benefit	4000	4000	635?		4000	635	
	CDBG	\$150,000	Public Safety	Public service activities other than Low/Moderate Income Housing Benefit	Area-Wide	600	125	101%	138	152	
	CDBG	\$100,000	Demolition	Buildings Demolished	Blds	15	3	20%	5	3	60%
	CDBG	400,000	Code Enforcement-cw	Housing Code Enforcement/Foreclosed Property Care	Hsing Units	4000	1404	35%	1000	1404	128%
Goal /Category	Funding			2019 Consolidate Plan Outcome					2019		
Youth Development	Source	Amount	Subrecipient	Indicator	Unit of Measure	Expected	Actual	Percent Complete	Expected	Actual	Percent Complete
	CDBG	\$36,855	Parks & Rec	Public service activities other than Low/Moderate Income Housing Benefit	Persons	1000	24	35%	300	240	117%

Goal /Category	Funding			2019 Consolidate Plan Outcome					2019		
Economic Development	Source	Amount	Subrecipient	Indicator	Unit of Measure	Expected	Actual	Percent Complete	Expected	Actual	Percent Complete
	CDBG-CV	\$239,684	Parks & Rec Infrastructure	Public service activities other than Low/Moderate Income Housing Benefit	Businesses	95	15	16%	95	15	16%

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

During year one 2019 program year, of the five year plan, the City of Kalamazoo effectively used its Community Development Block Grant (CDBG) and HOME, funds to undertake a variety of programs, projects and activities designed to address housing and community development needs throughout the City of Kalamazoo. High priority initiatives included owner-occupied housing rehabilitation, homebuyer assistance, slum/blight clearance, provision of public safety services, and technical assistance. The accomplishments of the City of Kalamazoo was consistent with the consolidated Plan's high-priority community development and housing objectives, and are presented in this report within the 2019 program year.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

Race	CDBG	HOME	ESG(not Funded)
White	34	3	0
Black or African-American	83	20	0
Asian	0	0	0
American Indian or American Native	0	0	0
Native Hawaiian or Other Pacific Islander	0	0	0
Mixed	0	0	0
Unspecified	0	0	0
Total	117	23	0

Ethnicity	CDBG	HOME	ESG(not Funded)
Hispanic	0	1	0
Not Hispanic	117	22	0

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

Generally the CDBG, HOME and ESG programs serve the entire City of Kalamazoo in accordance with the program requirements of each grant because there is a need for services throughout the City's 22 neighborhoods. However, the listed ethnic and racial populations assisted with these funds represent the at-risk population served in Edison, Northside, Oakwood, Southside, Douglas, Eastside, Stuart, Vine and the Central Business District. ESG was not awarded by HUD for PY2019

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available - Updated

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	Public - Federal	\$1,868,084	\$173,657.92
HOME	Public - Federal	\$492,146	\$0.00
CDBG-CV	Public - Federal	\$958,737	\$0.00
ESG	Public - Federal	\$0.00	\$0.00

Table 3 - Resources Made Available

Narrative

The table above outlines the Consolidated Plan awarded funding received between July 1, 2019 and June 30, 2020. HUD contracts were sign in December 2019. This table includes only new funds received during the program year and does not account for either unspent prior year funds used for FY2019 activities or funds from prior years spent during the 2019 program year. CDBG-CV funding received will be reflected in PY2000, due to approval of funding was after the closing of PY2019

In addition, Source of drawn funds is from **PR02 (IDIS Run Date: 02/01/21)**.

CDBG assistance was provided in low- and moderate-income communities as a result of City Commission's approval. The boundaries of these areas make up nine at-risk districts (Edison, Northside, Oakwood, Southside, Douglas, Eastside, Stuart, Vine and the Central Business District). Per IDIS report **PR26 – CDBG Financial Summary Report (IDIS run date: 02/01/21)**.

- Low/Mod benefit this reporting period – 90%
- Public Service Cap – 13.48%
- Planning and Administration Cap – 30.22%

Most activities undertaken utilize CDBG and HOME funds to affordable housing, , reduce persons in poverty and improve the quality of life for Kalamazoo residents; either directly or indirectly. Homeless programs directly influence poverty. Projects that indirectly affect poverty include those that upgrade the community and provide affordable housing. Programs that prevent homelessness and improve quality of life include housing assistance) and supportive services. CDBG, HOME and ESG funds (as provided) are used to prevent homelessness and reduce the number of poverty level families.

Funds expended during the program year include reprogrammed prior year funds and funds awarded to activities in prior years that were not spent until the 2019-20 program year. Any large construction project will span the course of several program years with expenditures occurring over multiple years. As a result, funds expended will not equal funds received.

No CARES Act CV funds were expended during the program year, as grant agreements for that funding were executed after June 30, 2020.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
CDBG-Eligible Census Tracts	56	51	51
City-wide low-income households	44	49	49

Table 4 – Identify the geographic distribution and location of investments

What does the system say?

Narrative

Although, the City of Kalamazoo targets at-risk neighborhoods (Edison, Northside, Oakwood, Southside, Douglas, Eastside, Stuart, Vine and the Central Business District) funding is not allocated by census tract, but allocated to programs that services these neighborhoods. City program planning is focused toward the number of persons that can be helped, and identifying projects that will produce the best benefit for the investment.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

The City requires matching funds from both CDBG and HOME Investment Partnerships program. All subrecipients involved in these programs meet a 25% match.

Sometimes subrecipients and partners leveraged funds to complete a project. Leveraged funds are often from the State of Michigan through the Michigan State Housing Development Authority or through foundations like the Kalamazoo Community Foundation. However, these funds are not known until the Subrecipient submits an application through the City’s competitive application process.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	0
2. Match contributed during current Federal fiscal year	\$54,500
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	\$54,500
4. Match liability for current Federal fiscal year	\$24,980
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	\$29,520

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
New Horizon	12/30/20	4363.45	0	0	131.70	0	0	4,520
Kalamazoo Valley Habitat	07/05/20	25,000	0	0	0	0	0	25,000
								29520

Table 6 – Match Contribution for the Federal Fiscal Year

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	125	0
Number of Non-Homeless households to be provided affordable housing units (Housing Add plus DPA)	10	11
Number of Special-Needs households to be provided affordable housing units	2	2
Total	137	13

Table 7 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	0	2
Number of households supported through Rehab of Existing Units	120	73
Number of households supported through Acquisition of Existing Units	2	0
Total	122	75

Table 8 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

Affordable housing continues to be a priority for the City of Kalamazoo. The City's goal of improving the amount of decent and affordable housing in the City of Kalamazoo by supporting the maintenance, rehabilitation and development of accessible owner and renter occupied housing is intended to contribute to the overall affordable housing goals established in the 2019 – 2023 Consolidated Plan.

Activities related to affordable housing fell short this year due to the late release of funding and the COVID-19 Pandemic. With funding being release closer to fall in 2019, Subrecipient planned their activities to start in the Spring of 2020 or to restart. In March of 2020 the City of Kalamazoo started closing down and immediately following the State of Michigan halted construction activities. In addition, Subrecipient reported that it was increasingly hard to find skilled labor. The shortage of skilled labor is continues to be discussed with the City's community college and area high school programs. The goal is to bring technical education back to address the shortage.

A barrier the City continues to encounter is the existence of more citizens in need of affordable housing than units available. In addition to the construction and rehabilitation of affordable housing and the rental and homeowners assistance programs completed in PY2019, the City continues to take the following actions to eliminate barriers to affordable housing:

1. The City of Kalamazoo's Code Enforcement and Anti-Blight efforts, funded with CDBG, have as their main objective the redevelopment of a suitable living environment through the identification and resolution of non-compliant and/or blighted housing units to be made available for low- and moderate-income households. This strategy increases the number of decent, code-compliant, affordable housing units in the City.

2. To eliminate the barrier of a lack of capacity and technical assistance required to provide affordable housing, the City of Kalamazoo utilized general fund dollars for the Local Initiatives Support Corporation to provide capacity building and technical assistance to housing, CHDO, and nonprofit organizations operating within Kalamazoo. The capacity and productivity of these organizations is an important element in addressing current barriers to the provision of affordable housing.

Discuss how these outcomes will impact future annual action plans.

The City of Kalamazoo’s primary focus continues to be affordable housing and monitors its progress against five-year affordable housing goals. It has also prioritized the development and construction of affordable housing during Program Year 2019 and beyond utilizing city, federal, and private resources (including institutional lenders and Foundation for Excellence dollars). I The City is looking closely at the capacity of homeless housing providers as well as the extent to which the developers continue to participate in the production of permanent supportive housing for low to moderate income persons . The City will reevaluate its progress against five-year goals and adjust future Action Plan goals as needed on an annual basis.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Persons Served	CDBG Actual	HOME Actual
Extremely Low-income	2	0
Low-income	6	1
Moderate-income	53	4
Total	59	5

Table 9 – Number of Persons Served

Narrative Information

The City of Kalamazoo is continuously working to support the lowest income earners in our community, and those who are cost burdened by spending more than 30% of their income on housing. The accomplishment data in Table 9 represents all beneficiaries of CDBG, as well as HOME beneficiaries, to include Affordable Housing Development Programs, and all Housing Repair Programs.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness...

The needs of the homeless in the City of Kalamazoo are primarily tracked through the Continuum of Care (CoC) provider network. The Point In Time count for 2019 included 639 homeless individuals; a reduction of 9% from the PIT count of 702 in 2019. The City partners with the county's Continuum of Care (CoC). The CoC partners with 30+ diverse organizations that collaborate as a system to fund prevention, shelters, permanent and supportive housing.

Local Initiative Support Corporation (LISC) convened various stakeholder meetings surrounding a revamped CoC. On January 15, 2020 LISC's advisory board, which has functioned as the CoC Governance body, approved a transition of the CoC from LISC to the United Way of the Battle Creek and Kalamazoo Region (UWBCKR). The proposed transition included key changes to the structure of the CoC. These include: (1) the establishment of a dedicated CoC Local Board that meets all HUD representational requirements and that has at large seats that are filled by CoC membership vote; and (2) increased staff capacity to three full time positions including a CoC Director to lead strategic and collaborative activities, a CoC Associate to manage the technical aspects of HUD and MSHDA compliance and processes, and an HMIS System Administrator to provide oversight and guidance for the day-to-day operations of the HMIS system. In May of 2020 UBCKR began onboarding those three staff positions.

Together with our partner agencies, we provide the following continuum of services: (1) Prevention & Access - people at imminent risk of homelessness are linked to community resources. We take a proactive approach to keeping people housed, educating and advocating on related issues. (2) Response & Rapid Re-Housing - people experiencing homelessness receive assistance to address their immediate housing crisis. We work to get homeless people into permanent housing as quickly as possible, and to creating new, affordable housing options. (3) System Change & Transition - we ensure access to supportive services and improve system effectiveness so people can transition from crisis to stability. (4) Build Community Capacity - by coordinating local, state, and national resources in the community we improve agency capacity to serve, track our progress, and bring resources and public policy support solutions to end homelessness.

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs.

The CoC seeks to find and engage unsheltered persons by utilizing outreach teams and local Public Safety Departments. Catholic Charities provides Street Outreach services for runaway and homeless youth, Integrated Services of Kalamazoo outreach staff and peer supports focus on individuals and provide a general and family outreach. The CoC collaborates with local nonprofit service providers, City and County government, public safety and public health departments to coordinate outreach for people who are unhoused and/or living in encampments. Outreach efforts include centralized intake with assessment at area shelters, outreach satellite locations, and the public school's homeless liaisons. Additional outreach locations include Health & Human Services, Goodwill, Michigan Works and the Gospel Mission. Additionally, community partners offer a weekly Community Housing Hour; residents can access five - ten community agencies offering housing information. The local drop-in center, open daily, provides meals, phones and coordinated access referrals. The CoC distributes cards with all emergency contact information to churches, shelters and drop-in facilities. A local 24-hour HELP-Line is available to anyone in crisis. The CoC has utilizes a single assessment tool for people experiencing homelessness. The Service Prioritization Decision Assistance Tool (SPDAT) provides an evidence-informed assessment that measures acuity of participants. Based on the SPDAT scores, clients are prioritized with those most vulnerable placed as the top priority for available housing resources.

Permanent housing continues to be the top priority for addressing homelessness in the CoC and City of Kalamazoo. However, it has become clear that without additional emergency shelter capacity, those on the streets will continue to lack the ability to obtain shelter. The CoC agencies understand that to transition a family from the street or a shelter setting to permanent housing involves the leveraging of a complex array of community resources to meet interwoven housing and non-housing needs. Case Management is essential in helping families navigate the “system” to find resources that help increase their income and a ability to sustain positive housing options. Our CoC Navigators from partner agencies work together to address systems imposed issues/barriers. The 2-1-1 Advisors have after-hour contacts for local housing agencies and shelters, the Access Center (Community Mental Health), Mobile Crisis Response (Youth), and public safety (welfare check, adult/child protective services). The local YWCA (Domestic Violence) and the ARK Youth Shelter maintain a 24-hour Hotlines; (269) 385.3587 and (800) 873-8336, respectively.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Our partner agencies provide, Prevention & Access. We take a proactive approach to keeping people housed; educating and advocating on related issues. Response & Rapid Re-Housing; People experiencing homelessness receive assistance to address their immediate housing crisis. We work to get homeless people into permanent housing as quickly as possible; and to creating new, affordable housing options. System Change & Transition; We ensure access to supportive services and improve system effectiveness, so people transition from crisis to stability. Build Community Capacity; By coordinating local, state, and national resources in the community; we improve agency capacity to serve; track our progress and bring resources and public policy support solutions to end homelessness. One of the CoC's goals in coming year is working to strengthen partnerships to prevent homelessness after discharge from public funded institutions.

The Sheriff's Department assistance on supports to sustain housing is made available at discharge, if requested by the inmate. The CoC provides a single assessment and referral point of entry for all housing related emergencies in partnership with 2-1-1 staffed with Housing Resource Specialists who provide access to resources and mainstream service providers including information about applying for SSI and SSDI.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

As of January 2020, the MI-507 Kalamazoo CoC has a fully functioning Coordinated Entry System. The Coordinated Entry system was implemented with an aim to end homelessness in the community by improving how we assign housing opportunities based on appropriate tools and effective targeting efforts. The CE process is intended to quickly triage people in a housing crisis to available resources. Individuals and households experiencing homelessness can enter the system, be assessed, and be referred to available housing options within less than two weeks.

The intention of Coordinated Entry is to: (1) target the correct housing intervention to the correct individual and/or family, particularly for those with high acuity and high need; (2) divert people who can solve their own homelessness away from the system; (3) greatly reduce the length of time people are experiencing homelessness by quickly moving people into the appropriate housing; and (4) significantly increase the likelihood of housing stability by better targeting the appropriate housing intervention to the corresponding needs.

“Landlord Liaisons” are key to housing the homeless; we have many scattered site locations and few multi-family projects. CoC funded agencies have “low barrier” entry approaches including tenant screening practices that promote applicant acceptance regardless of their sobriety or use of substances, completion of treatment, and participation in services. The YWCA has a 64-bed shelter, counseling, referral and advocacy services for residential and non-residential clients, two intensive post-shelter programs and other collaborative programming with numerous community organizations. Non-residential clients or other individuals are referred to the CoC coordinated access and assessment agency that maintains a hot-line and family shelter. The Housing Choice Vouchers (HCV) stabilize people living in homelessness, allowing them to cope with and conquer addictions, re-gain physical and mental health, find employment and complete educational or other goals. The coordinated assessment agency maintains a list of homeless people ensures that HCVs go to the people most in need of housing. To keep the HCV placement list populated the CoC works with and engages on-site at the local shelters so that chronically homeless people are entered on the waiting list and work with the HCV Agent to know when/where turnover is occurring and they help to locate persons and identify housing. The Housing Assessment and Resource Agency (HARA) serves all populations and works with all providers and their outreach teams who serve special populations.

CR-30 - Public Housing 91.220(h); 91.320(j)**Actions taken to address the needs of public housing**

The City of Kalamazoo does not have public housing. However, Kalamazoo County does have a public housing commission for the purpose of administering a housing voucher program for the area. The City of Kalamazoo continues to be supportive of the Public Housing Commission expansion of services, and views a partnership with the Commission as an important step in addressing the local issue of "fair share housing," that is, ensuring that affordable housing is available throughout the County, and not just within the City of Kalamazoo.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership**Actions taken to provide assistance to troubled PHAS**

N/A

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The City of Kalamazoo Community Development (CD) continues to strategically invest in key neighborhoods within the City that have been hit hardest by poverty, the City's subsequent economic expansion if not carefully monitored could present a risk of gentrification. Kalamazoo focuses on the development of eco-friendly affordable housing, sustainable economic development, and an expansion of neighborhood services through its Foundation for Excellence Program. The program continues to support the following City goals: Shared Prosperity – Abundant opportunities for all people to prosper.

- Connected City – A city that is networked for walking, biking, riding, and driving
- Inviting Public Places – Parks, arts, culture, and vibrant streets
- Environmental Responsibility – A green and healthy city
- Safe Community – Creating a safe environment for living, working, and playing.
- Youth Development – A city with places and supports that help young people thrive
- Complete Neighborhoods – Residential areas that support the full range of people's daily needs
- Strength Through Diversity – An inclusive city where everyone feels at home
- Economic Vitality – Growing businesses and stabilizing the local economy to the benefit of all.
- Good Governance – Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a sustainable way.

Community Development, along with non-profit developers, continues to assess the feasibility of the conversion vacant residential structures to affordable housing units throughout the six identified census tracts. In addition, the City continues to work with non-profit developers to offer an affordable financing to property owners.

In addition to the rehabilitation of affordable housing and the rental and homeowners assistance programs completed in 2019 the City continued to take the following actions to eliminate barriers to affordable housing:

- Redevelopment of suitable living environments and the develop a Code Enforcement Repair program to address code violations for citizens who are experiencing severe financial issues.
- Utilized general fund dollars for the Local Initiatives Support Corporation to provide capacity building and technical assistance to housing, CHDO, and nonprofit organizations operating within Kalamazoo.
- Staff concentrated on project and program delivery through the use of proactive approaches towards applications for federal and state leverage funds; this assisted CP&D to strategically place future activities in line to address obstacles.
- Increased internal efficiencies and realigning of program and services delivery to meet increased programmatic and administrative demands within provider network. CP&ED staff worked collaboratively with City officials, as well as the Parks, Transportation, Public Safety, Public Services, and Economic Development to identify projects that met federal community development program eligibility and meet timely draw down requirements.

CPED staff in 2019 continued to fine-tune approaches to help ensure projects readiness in spite of COVID-19 Pandemic.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

Reduced and limited funding remains to be the largest barrier to meeting underserved needs in Kalamazoo. Like many entitlement communities, Kalamazoo's CDBG funding continues to experience a reduction in funding. Reductions in State aid to the City of Kalamazoo and the local budget have prohibited the City from being able to cover funding gaps, leaving many worthy and valuable programs unfunded or under-funded. This challenge is beyond the capacity of the local jurisdiction to satisfactorily address. Where practical the City has strongly encouraged organizations to consider collaborating in the provision of services to low-income residents in an effort to improve efficiency, strengthen capacity, and best meet the needs of the underserved. In addition, the City provides technical assistance to providers in their pursuit of other federal, state, or private funding sources.

Actions taken to reduce lead-based paint hazards. 91.320(j)

The City of Kalamazoo along with the Department of Health and Human Services and CP&D have taken actions to reduce lead-based paint (LBP) hazards in accordance with HUD regulations. The City received a grant from the Office of Lead Hazard Control and Healthy Homes Lead Hazard Control (OLHCHH) in 2019 to address lead issues the City of Kalamazoo applied and was awarded a Lead Based Paint Hazard Reduction grant. Purpose is to identify and control lead based hazards. Focus is on homes with children under six year of age. The specifics of the grant are as follows.

- Grant period is 1/1/2019 – 6/30/22
- Grant award is \$1,999,362. We were awarded full amount of request.
- Number of houses - 72 60% homeowner/40% rental
- Grant was written in collaboration with Kalamazoo Neighborhood Housing Services
- Grant uses approximately \$200,000 of future CDBG funding as a match.

Lead in the City of Kalamazoo is a high priority due to the Michigan Department of Community Health, Michigan State University and Michigan Department of Energy, Labor and Economic Growth, in 2012, produced a report on blood lead levels among children in fourteen target communities which included the City of Kalamazoo. Based on their findings, the City of Kalamazoo was in the top seven highest for confirmed elevated blood lead levels in children. As a result of this finding lead based paint became a significant concern especially in light of the City's desire to rehabilitate older housing stock and to maintain affordable housing. According to the U.S. Census, 84 percent of the housing stock in the City was built prior to 1979 and tend to be concentrated in the lower income neighborhoods.

The City includes lead hazard reduction strategies in repairs on rental properties inspected under the City Housing Code. The City inspects all rental properties at least once every three years. When potential or existing problems are located, inspectors require appropriate remedial action. In addition to the lead based paint disclosure rule of 1996, the City of Kalamazoo requires its Subrecipients to comply with the September 15, 2000 regulation, "Requirements for Notification, Evaluation and Reduction of Lead Based Paint Hazards in Federally-Owned Residential Property and Housing Receiving Federal Assistance."

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The City of Kalamazoo Community Planning and Economic Development (CPED) is committed to carrying out a comprehensive anti-poverty strategy in collaboration with the many community and nonprofit organizations that also serve Kalamazoo's low income population. The City's CDBG, HOME and other local funding will continue to support programs and organizations that provide assistance and economic opportunities for low- and moderate income persons and for populations with special needs. Funds will continue to be used to support subsidized housing and economic growth of low income. The City and other agencies will continue to collaborate in pooling necessary resources to assist individuals and families with

obtaining the tools to overcome poverty. The City in partnership with City partners has a comprehensive slate of anti-poverty plans and programs meant to address a continuum of needs from crisis to self-sufficiency, highlights of which are:

- Shared Prosperity Kalamazoo - a bold and ambitious plan to transform our community into a place where every adult and every child thrives and prospers.
- Foundation for Excellence - a unique innovation by the City of Kalamazoo and private donors to address systemic challenges to the prosperity of the city.
- Imagine Kalamazoo - is all about engagement: engagement with citizens, community groups, businesses, developers, investors, philanthropists, government discussing it, planning it, designing it, and acting on it.
- Open Doors Kalamazoo – an organization that provide a solution to the housing crisis for low-wage working families. It assist those who don't earn enough to afford an apartment, those who are fleeing domestic violence and have no resources for safe housing.
- Kalamazoo Gospel Mission - is a non-profit organization that provides support to homeless citizens in southwest Michigan. It offers short-term emergency shelter and food, as well as a variety of long-term programs to address homelessness issues.
- Ministries with Communities - Serves as a daytime shelter, resource center, offers prepared meals to the Kalamazoo community experiencing homelessness, poverty, mental illness and other challenges.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The City of Kalamazoo has a solid institutional structure that includes local government, the school district, and area non-profits, and city staff who has developed good working relationships with many of the executive directors and staff of the non-profit agencies that request CDBG and/or HOME funding. City staff participated in a number of community boards that met to address the needs of homeless persons, underserved populations, and low-income residents, including the Continuum of Care (CoC) committee and its allocations committee.

Since 2006, the Local Initiatives Support Corporation has assisted in the coordination of housing development efforts on a county-wide basis. They have a coordinator that works effectively with all of the key partners and jurisdictions to encourage such concepts as inclusionary zoning and fair share housing. In addition, the Continuum of Care managed by Local Initiatives Support Corporation is a collaboration of nonprofit, business, governmental, education, health, human service, advocacy entities, and constituent groups formed to develop a comprehensive and integrated approach to addressing homelessness and building permanent housing for low-income people.

For PY2019, the City continued to support five core neighborhoods (Oakwood, Vine, Northside, Eastside, and Edison) with the highest level of poverty in completing organizational assessments and plans. The goal is to assist Neighborhood Associations in growing their capacity to serve their neighborhoods, while achieving the vision set forth in their respective neighborhood plans. Upon completion of capacity building plans the City will support the neighborhoods in trainings, implementation and completion of projects that will support organizational growth following the plans created.

Staff from Community Planning and Economic Development – Community Investment (CPED-CI) attended professional development events and trainings as available to ensure continued compliance with federal regulations and knowledge of innovative housing, community development, homelessness, and anti-poverty. Staff continued to develop their professional knowledge in spite of many in-person trainings being cancelled or rescheduled due to COVID-19 restrictions. During Program Year 2019, staff attended or planned to attend numerous conferences and trainings, including: NeighborWorks Training Institutes, MCDA, the National Low Income Housing Coalition Policy Conference, the Lead and Healthy Homes Conference, Environmental Review Training and CDBG Essentials Training.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

To better link services to targeted populations, CP&D staff also maintains relationships with various organizations, and local, state and federal agencies including but not limited to, the Departments of Health and Human Services (DHHS), and HUD.

The City of Kalamazoo also strives to maintain records for provider contacts, titles, and responsibilities for local non-profits and service agencies. The City annually interview and discuss the needs of the community with organizations throughout City's during its CDBG/HOME application process. This information influences how the funds are allocated and the goals are established as a City. The City does not have a housing authority, but maintains a good working relationship with the County's housing commission and other housing agencies serving residents of Kalamazoo. The City's involvement with the CoC has provided opportunities to building relationships with a wider range of housing and service providers in the region as well.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

The City of Kalamazoo affirmative marketing policies and procedures for affordable housing goal is to ensure that all persons – regardless of their race, color, national origin, age, religion, sex, gender identity, disability, familial status or English proficiency – are aware of the affordable housing opportunities generated by federal HOME funds, the City funded housing activities, and any other program activities, in accordance with 24 CFR 108.1. The City uses the following methods for informing the public, owners, and potential tenants about fair housing:

1. The City of Kalamazoo Community Planning and Development Department shall be responsible for implementing the City's Affirmative Marketing Policies and Procedures.
2. Recipients of CDBG, HOME and/or City funds shall be informed of the City's Affirmative Marketing policies by having this policy referenced in the agreement as an attachment with the City for the receipt of funds and by making compliance with this policy a requirement for the duration of the agreement.
3. The City shall continue to support outside agencies to provide fair housing information/ referral and case investigation services and tenant/landlord information/referral and mediation services.
4. The City collaborates with the County of Kalamazoo and the Fair Housing Center of Southwest Michigan to reduce discrimination in housing regionally.
5. The City shall carry out outreach and provide tenants and rental property owners with copies of the State of Michigan handbook on tenant and landlord rights and responsibilities, fair housing brochures, and Affirmative Marketing Policies and Procedures.
6. The City provides information about fair housing, fair housing services providers and links on the City's website.
7. The City shall ensure that owners of CDBG and/or HOME funded rental/homebuyer housing provide information during monitoring visits on how their actions have complied with the City's Affirmative Marketing Policies and Procedures.
8. The City shall periodically post flyers and brochures which describe fair housing laws and services, in the City Hall Center Lobby, which is open to the public.
9. Housing project owners shall instruct all employees and agents in writing and orally in the policy of nondiscrimination and fair housing.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

In addition to the monthly progress reports completed by Subrecipients, some form of monitoring is a part of every activity undertaken by the City. Mandatory "Pre-Award Training" are required for all sub-recipients For CDBG and or HOME projects, during the application process, each potential Subrecipient identifies the role they will play in the City's consolidated plan. Routine desk reviews on eligible expenditures and beneficiary data are conducted on each claim. The City maintains ongoing contact with Subrecipients including phone calls, emails, site visits to meet with the director and board members, as needed, to ensure the program is meeting the standards established for the programs.

To implement effective federal entitlement funding, activities are monitored or technical assistance is provided on a consistent basis. Visits are prioritized by determining if any organizations are considered high-risk. High-risk sub-recipients include: new (first-year) sub-recipients; those with high staff turnover; sub-recipients with previous compliance or performance problems; sub-recipients executing complex activities for the first time. Sub-recipients' files are reviewed for compliance with all regulations governing its administrative, financial, procurement and programmatic operations. Sub-recipients are also monitor in respect to their performance objectives.

Monitoring visits assist in determining if the subrecipient is carrying out its program and activities within the timeline denoted in the subrecipient agreement. It also ensures that the required records are maintained to demonstrate compliance with applicable regulations. CP&D regularly monitors HOME-assisted properties to confirm that residents qualify for HOME designated units and borrowers comply with regulatory requirements as outlined in property agreements. CP&D's CDBG administrative staff conduct monitoring reviews of each subrecipient every one to two years to ensure program compliance with HUD regulations. Technical assistance was provided throughout the 2019 year to various Subrecipients including City of Kalamazoo staff for various projects. CP&D staff monitors all program contracts monthly for compliance, financial management systems and programmatic activity. Additionally, staff is committed to providing accurate non-duplicative demographic information in IDIS to comply with HUD's reporting requirements.

Citizen Participation Plan 91.105(d); 91.115(d)
Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The City of Kalamazoo encourages residents and other interested parties to participate in the CDBG process by attending public meetings and submitting comments if unable to attend. Residents are given a minimum of 15 days to comment on the CAPER before it is submitted to HUD for approval. Any comments received are included in the final submission to HUD with a response. In recent years we included acceptance of email submissions to make it even easier for residents to participate in the process.

To get the word out, the City of Kalamazoo issues press releases to notify the public of upcoming meetings, fund availability, and how to submit comments. These ensure a multi-media approach of notifications including local newspapers, newsletters, city website posting and social media networks.

Following the approved Citizen Participation Plan, the 2019 CAPER was made available to the public February 10 – February 25, 2021. A public notice was published in the Kalamazoo Gazette and posted on the CP&D's website.

On February 25, during the 15-day public comment period a Public Hearing was held during the City's regularly schedule public Community Development Act and Advisory Committee meeting. All Kalamazoo residents were invited to attend. No citizen comments were submitted during the Citizen Participation Plan process. The City of Kalamazoo responded to one citizen comment during the CAPER "Question and Answer

Session”, which addressed 2020 application process.

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

Although no changes were made to the over all objectives, specific goals or Priority Needs as identified in the 2019 Action Plan, The City of Kalamazoo submitted three substantial amendments to the 2019 Action Plan in response to COVID-19. These three substantial amendments were each created in response to a new tranche of CARES Act funding to prevent, prepare for and respond to the coronavirus. (Tranches of funding were announced on April 2, and September 11, respectively.)

These additional funds included \$1,441,579 dollars of CDBG, which was allocated toward Housing Stability and Eviction Prevention, Meals on Wheels for the Elderly and Disable and a Small Business Grant Program to address safety in the prevention COVID.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants? No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

Address	#Units	AH Units	HOME Funds Invested	Affordability Period	Start Date	End Date	Compliance
1336-1348 Portage Rd	16	4	240,000	15	10/31/2011	10/31/2026	Wa
2233 Flower St	56	7	850,000	20	1/16/2006	1/16/2026	
3840 S. Burdick	24	10	400,000	20	1/9/2004	1/9/2024	
1801 N. Westnedge	40	3	380,000	15	1/20/2011	1/20/2026	
345 N. Burdick	59	59	645,447	20	9/25/2012	9/25/1932	
4774 Horton Drive - part of 3939 S. 12th Street	68	68	550,900	20	1/3/2005	1/3/2025	
332 Hutchinson	1	1	63,480	15	3/5/2013	3/5/2028	
926 Albert	1	1	66,170	15	3/5/2013	3/5/2028	
309 W. North	4	4	126,000	20	1/27/2015	1/27/1935	
303 & 305 & 307 W. North	3	3	136,217	20	1/27/2015	1/27/1935	
701 N. Pitcher St	12	12	250,000	15	5/7/2007	5/7/2022	
214 S. Sage St	38	2	140,000	20	10/11/2011	10/11/1931	
1226 Washington	1	1	59,851.93	15	3/17/2017	3/31/2019	
105 E. Michigan	28	4	400,000	15	5/7/2012	5/7/2027	
115 Fellows (KNHS)	1	1	70,637	15	9/18/2018	9/18/1933	
Totals	352	180	\$4,318,851.00				

Additional hired staff will assist in completing reviews to ensure compliance.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)

The City requires each CHDO and private developer-funded through the HOME program to submit an affirmative marketing plan or to utilize the City's HUD-approved affirmative marketing plan when there are five or more assisted HOME units developed. This requirement is a mandatory condition in every CHDO agreement. Affirmative marketing steps consist of actions to provide information and attract eligible persons in the housing market without regard to race, ethnicity, national origin, sex, religion, familial status, or disability. This could include initiatives such as using the Equal Housing Opportunity logo in publications and signage and displaying fair housing information. Additionally, the City actively encourages housing developers to make subcontracting opportunities available to minority and womenowned businesses (MBE/WBE).

Data on the amount and use of program income for projects, including the number of projects and owner and tenant characteristics.

No HOME program income was received during 2019.

Other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)

The following activities helped to foster and maintain quality affordable housing in the City of Kalamazoo:

- Community Development Advisory Action Committee
- City of Kalamazoo, CPD – Code Enforcement
- City of Kalamazoo, CPD – Emergency Housing Repair
- City of Kalamazoo, CPD – Lease Purchase Program
- City of Kalamazoo, CPD – HOME Housing Repair
- Housing Resource Incorporated
- Energy Efficiency: In order to foster housing affordability and assist households to maintain quality energy efficient housing, the City adopted HUD’s policy requiring energy star specifications for new construction and substantial rehabilitation projects.

The City of Kalamazoo did not receive ESG funding for 2019 program year.

Reporting Period — All Recipients Complete

Program Year Start Date 07/01/2019

Program Year End Date 06/30/2020

3a. Subrecipient Form – Complete one form for each subrecipient
Subrecipient or Contractor Name: KALAMAZOO

City: KALAMAZOO

State: MI

Zip Code: 49007,

DUNS Number: 079283214

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 1236410

